

UTAH SYMPHONY | UTAH OPERA
FULL BOARD MEETING
JANUARY 26, 2021
MINUTES

Attended via video or teleconference: Doyle Arnold, Stewart Barlow, Judy Billings, Steven Brosvik, Doyle Clayburn (Utah Symphony Guild), John D’Arcy, David Dee, Kathryn Eberle (musician), Julie Edwards (musician), Kem Gardner, Brian Greeff, Julie Aiken Hansen, Stephen Tanner Irish, Tom Jacobson, Annette Jarvis, Tom Love, Abbie Magrane, Robin Milne, Judy Moreton, Dinesh Patel, Dave Petersen, Gary Porter, Shari Quinney, Patricia A. Richards, Miguel Rovira, Joanne Shiebler, Shane Stowell, Naoma Tate, Jim Tozer, Astrid Tuminez, David Utrilla, Kelly Ward, Jennifer Webb (Onstage Ogden), Kim Wilson, and Henry Wurts attended from the Elected, Ex-officio and Lifetime Boards.

Guests and USUO staff members present included: Olivia Custodio, Cassandra Dozet, Thierry Fischer, Steve Hogan, Lance Jensen, Christopher McBeth, Jon Miles, Leslie Peterson, Michelle Peterson, Jessica Proctor, Kathleen Sykes, Toby Tolokan, and Heather Weinstock. Julie McBeth was present to record the minutes.

I. Welcome and Consent Agenda: Board of Trustees Chair Tom Love welcomed the board members and invited the new Onstage Ogden representative Jennifer Webb to introduce herself. He asked if there were any questions about or recommended changes to the Consent Agenda. Upon a motion duly made and seconded, the minutes of the December 1, 2020 Full Board meeting and the action taken by the Executive Committee at their January 13, 2021 meeting to authorize the organization’s application for a PPP forgivable loan in the amount of \$2 million were adopted as submitted.

II. Audit Update: Audit Committee Chair Doyle Arnold reported that the FY20 Audit presentation and request for approval would be moved to the March 23, 2021 board meeting agenda due to a recent recommended change in the positioning of the PPP loan on the financial statement. He noted the change would not affect the surplus of just over \$400,000 for the fiscal year ended August 31, 2020.

III. Development Report: Development Committee Chair David Dee provided an update of the fundraising need for the current fiscal year and shared some examples of the positive outcomes of USUO streamed performances and education activities. He relayed details of a cultivation opportunity provided by the \$500,000 matching challenge grant from the George S. and Dolores Doré Eccles Foundation and invited board members to join the musicians in calling USUO donors to thank them for their support.

IV. Marketing Report: VP of Marketing Jon Miles shared that the marketing and patron services teams had been strategizing how to compress the 2021-22 subscription campaign to a shorter than typical timeline while simultaneously preparing for the resumption of live performances in the spring and summer and promoting performances available for streaming on USUO: On Demand. He shared some statistics regarding customers who had purchased streamed performances, highlighting that 1/3 of those customers were new to USUO and that many lived outside of the region. An excerpt of the Mendelssohn Symphony No. 3 available for streaming at the time of the meeting was played for those attending.

V. Artistic updates: President & CEO Steve Brosvik reported that it was unlikely that performances with live audiences would be allowed to resume in county venues before the end of March and noted that board members would receive additional information as soon as reopen dates were known.

Musician Representative Kathryn Eberle relayed details for some of the performances that had been released through the streaming service and shared the musicians' hope that some form of streaming would continue even after live performances resume with regularity. She acknowledged the behind-the-scenes efforts by operations and marketing staff to create the final streamed products. Musician Representative Julie Edwards highlighted education activities that the musicians had been engaging in during the weeks when recordings were not taking place.

Utah Opera Artistic Director Christopher McBeth and Utah Symphony Music Director Thierry Fischer shared details of spring 2021 and 2021-22 season performances that would be announced to the public in February and March.

VI. Finance committee report: Finance Committee Chair John D'Arcy displayed and talked through a report comparing FY19 (the last typical year before the pandemic) financial results through a projection of the current (FY21) year. He specifically noted the extraordinary grants, loans, contributions, and pay reductions for staff and musicians that had resulted in the projected surpluses for FY20 and FY21. He shared that without those factors, there would have been a deficit of \$6 million. He noted anticipated challenges of the FY22 budget, which would be shared at a future meeting after unacceptable deficits were resolved. Mr. Love expressed appreciation to everyone who made it possible to have a season and performances in a year when many peer organizations did not and he affirmed the board's commitment to keep the company performing into the future.


VII. Investment Committee report: Investment Committee Chair Doyle Arnold highlighted the special endowment draw represented in line 17 of the finance report, reminding board members of its history of approval in the fall of 2019, shortly after receipt of the Price bequest, and deferral in the fall of 2020. Mr. Arnold moved to approve the recommendation of the Executive Committee that the \$249,000 be transferred to the Board Restricted Endowment to be available for use, at the discretion of the Board, at a future point in time. The motion was duly seconded and approved by unanimous vote.

Mr. Arnold referenced the Endowment Investment Report included with the materials sent in advance of the meeting and noted that the total value of the endowment as of December 31, 2020 was \$41,606,943. He shared that, due to continued economic uncertainty and possible adverse impacts on USUO, the Investment Committee had advised continuing to hold an unusually large amount of cash and very short-term fixed income investments in the endowment. He reminded board members of the goal to slowly ratchet down the annual draw to preserve the value of the endowment.

VIII. CEO report: President & CEO Steve Brosvik relayed some of the opportunities provided by the national service organizations to which USUO belongs, including a specific virtual event for Utah Opera with OPERA America on February 1, which he encouraged board members to attend.

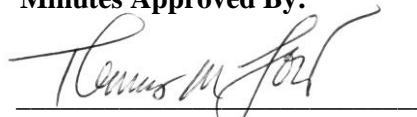
Other Business / Executive Session: Mr. Love asked if there was any additional business to discuss or need to adjourn to an executive session. There being none, the meeting adjourned at 5:25pm.

Minutes Recorded By:



Julie McBeth

Minutes Approved By:



Thomas M. Love, Chair